

**BOYS AND GIRLS CLUBS
OF ACADIANA, INC.**

Financial Report

Years Ended December 31, 2011 and 2010

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
Statements of financial position	3
Statements of activities	4-5
Statement of functional expenses - year ended December 31, 2011	6
Statement of functional expenses - year ended December 31, 2010	7
Statements of cash flows	8
Notes to financial statements	9-14
SUPPLEMENTAL INFORMATION	
COMPLIANCE, INTERNAL CONTROL AND OTHER MATTERS	
Report on Internal Control Over Financial Reporting And On Compliance and Other Matters Based On An Audit of Financial Statements Performed in Accordance With <u>Government Auditing Standards</u>	17-18
OTHER SUPPLEMENTARY INFORMATION	
Summary schedule of current and prior year audit findings and corrective action plan	20

C. Burton Kolder, CPA*
 Russell F. Champagne, CPA*
 Victor R. Slaven, CPA*
 P. Troy Courville, CPA*
 Gerald A. Thibodeaux, Jr., CPA*
 Robert S. Carter, CPA*
 Arthur R. Mixon, CPA*

Penny Angelle Scruggins, CPA
 Christine L. Cousin, CPA
 Wanda F. Arcement, CPA,CVA
 Allen J. LaBry, CPA
 Albert R. Leger, CPA,PFS,CSA*
 Marshall W. Guidry, CPA
 Stephen R. Moore, Jr., CPA,PFS,CFP®,ChFC®*
 James R. Roy, CPA
 Robert J. Metz, CPA
 Alan M. Taylor, CPA
 Kelly M. Doucet, CPA
 Cheryl L. Bartley, CPA
 Mandy B. Self, CPA
 Paul L. Delcambre, Jr., CPA
 Kristin B. Dauzat, CPA
 Matthew E. Margaglio, CPA
 Jane R. Hebert, CPA
 Bryan K. Joubert, CPA
 Stephen J. Anderson, CPA

Retired:
 Conrad O. Chapman, CPA* 2006
 Tynes E. Mixon, Jr., CPA 2011

* A Professional Accounting Corporation

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

OFFICES

183 South Beadle Rd.
 Lafayette, LA 70508
 Phone (337) 232-4141
 Fax (337) 232-8660

450 East Main Street
 New Iberia, LA 70560
 Phone (337) 367-9204
 Fax (337) 367-9208

113 East Bridge St.
 Breau Bridge, LA 70517
 Phone (337) 332-4020
 Fax (337) 332-2867

200 South Main Street
 Abbeville, LA 70510
 Phone (337) 893-7944
 Fax (337) 893-7946

1234 David Dr. Ste 203
 Morgan City, LA 70380
 Phone (985) 384-2020
 Fax (985) 384-3020

1013 Main Street
 Franklin, LA 70538
 Phone (337) 828-0272
 Fax (337) 828-0290

408 West Cotton Street
 Ville Platte, LA 70586
 Phone (337) 363-2792
 Fax (337) 363-3049

133 East Waddil St.
 Marksville, LA 71351
 Phone (318) 253-9252
 Fax (318) 253-8681

332 West Sixth Avenue
 Oberlin, LA 70655
 Phone (337) 639-4737
 Fax (337) 639-4568

621 Main Street
 Pineville, LA 71360
 Phone (318) 442-4421
 Fax (318) 442-9833

WEB SITE
WWW.KCSRCPAS.COM

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
 Boys and Girls Clubs of Acadiana, Inc.
 Lafayette, Louisiana

We have audited the accompanying statements of financial position of Boys and Girls Clubs of Acadiana, Inc. (a nonprofit organization) as of December 31, 2011 and 2010, and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Boys and Girls Clubs of Acadiana, Inc. as of December 31, 2011 and 2010, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2012, on our consideration of Boys and Girls Clubs of Acadiana, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Kolder, Champagne, Slaven & Company, LLC
 Certified Public Accountants

Lafayette, Louisiana
 June 25, 2012

Member of:
 AMERICAN INSTITUTE OF
 CERTIFIED PUBLIC ACCOUNTANTS

Member of:
 SOCIETY OF LOUISIANA
 CERTIFIED PUBLIC ACCOUNTANTS

FINANCIAL STATEMENTS

BOYS AND GIRLS CLUBS OF ACADIANA, INC.
Lafayette, Louisiana

Statements of Financial Position
December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
ASSETS		
Current assets:		
Cash & cash equivalents	\$ 139,222	\$ 167,361
Accounts receivable grants and other	41,697	48,224
Prepaid expenses	<u>279</u>	<u>2,851</u>
Total current assets	<u>181,198</u>	<u>218,436</u>
Non-current assets:		
Land	141,275	141,275
Buildings and equipment	1,640,830	1,637,776
Accumulated depreciation	<u>(878,268)</u>	<u>(821,413)</u>
Total non-current assets	<u>903,837</u>	<u>957,638</u>
Other assets:		
Utility deposits	<u>1,512</u>	<u>1,512</u>
Total assets	<u>\$ 1,086,547</u>	<u>\$ 1,177,586</u>
LIABILITIES & NET ASSETS		
Current liabilities:		
Accounts and payroll withholdings payable	\$ 81,688	\$ 14,971
Keystone/scholarships	6,570	6,709
Deferred revenue	11,200	40,113
Line of credit	<u>40,000</u>	<u>-</u>
Total current liabilities	<u>139,458</u>	<u>61,793</u>
Net assets:		
Unrestricted	856,025	1,025,086
Temporarily restricted	<u>91,064</u>	<u>90,707</u>
Total net assets	<u>947,089</u>	<u>1,115,793</u>
Total liabilities & net assets	<u>\$ 1,086,547</u>	<u>\$ 1,177,586</u>

The accompanying notes are an integral part of this statement.

BOYS AND GIRLS CLUBS OF ACADIANA, INC.
Lafayette, Louisiana

Statements of Activities
For The Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Changes in unrestricted net assets:		
Grants -		
United Way Allocation	\$ 197,844	\$ 227,141
Government	59,166	124,401
Other Grants	143,928	66,430
Total Grants	<u>400,938</u>	<u>417,972</u>
Contributions & other -		
One Campaign	176,984	160,558
General contributions	3,253	3,295
Civic clubs	428	16,859
Corporate/Foundations	77,330	80,788
Associated organization and keystone	2,241	-
Donated facilities	107,890	107,890
Donated services	245,600	412,500
Membership dues	30,291	27,095
Concessions	2,430	2,827
Meeting income	4,795	5,741
Other income	6,735	10,668
Interest income	-	1,075
Total contributions	<u>657,977</u>	<u>829,296</u>
Fund raising -		
Steak 'N Burger	150,000	132,250
Duck race	123,654	89,119
Celebrity waiter	58,914	35,940
Other events	73,476	65,568
Donated materials	42,665	34,993
Total fund raising	<u>448,709</u>	<u>357,870</u>

(continued)

BOYS AND GIRLS CLUBS OF ACADIANA, INC.
Lafayette, Louisiana

Statements of Activities (Continued)
For The Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Expenses -		
Program services:		
Education & recreation	1,070,209	1,042,564
Supporting services:		
Fundraising expense	482,182	614,454
Management & general	<u>124,294</u>	<u>121,968</u>
Total expenses	<u>1,676,685</u>	<u>1,778,986</u>
Decrease in unrestricted net assets	<u>(169,061)</u>	<u>(173,848)</u>
Changes in temporarily restricted assets:		
Capital campaign - interest	<u>357</u>	<u>789</u>
Decrease in net assets	(168,704)	(173,059)
Net assets, beginning	<u>1,115,793</u>	<u>1,288,852</u>
Net assets, ending	<u>\$ 947,089</u>	<u>\$ 1,115,793</u>

The accompanying notes are an integral part of this statement.

BOYS AND GIRLS CLUBS OF ACADIANA, INC.
Lafayette, Louisiana

Statement of Functional Expenses
For The Year Ended December 31, 2011

	Program Services	Supporting Services		
	Education and Recreation	Fund Raising	Management and General	Total
Salaries, benefits & payroll taxes	\$ 682,199	\$ 87,956	\$ 35,069	\$ 805,224
Accounting & auditing	4,708	-	942	5,650
Advertising (donated)	-	245,600	-	245,600
Auto & travel	5,884	-	4,451	10,335
Awards	2,281	-	196	2,477
Bus expense	19,603	-	-	19,603
Celebrity waiter	-	12,326	-	12,326
Contract labor	5,000	-	-	5,000
Donated materials - fundraising	-	42,665	-	42,665
Drug testing & background	1,359	-	101	1,460
Duck race	-	52,440	-	52,440
Facilities rent (donated)	62,000	-	45,890	107,890
Insurance	37,930	-	5,255	43,185
Interest expense	-	-	167	167
Meeting expense	6,807	-	1,205	8,012
Membership dues	1,278	-	2,219	3,497
Miscellaneous	1,540	598	8,547	10,685
Postage & shipping	1,296	-	657	1,953
Printing	1,830	-	424	2,254
Repairs & maintenance	35,476	-	410	35,886
Staff training	6,343	-	3,668	10,011
Steak 'N Burger	-	31,202	-	31,202
Supplies	85,205	9,395	4,175	98,775
Telephone	9,321	-	10,247	19,568
Unallocated payment to affiliated organization	6,279	-	-	6,279
Utilities/security	37,147	-	-	37,147
Total expenses before depreciation	1,013,486	482,182	123,623	1,619,291
Depreciation	56,723	-	671	57,394
Total	<u>\$ 1,070,209</u>	<u>\$ 482,182</u>	<u>\$ 124,294</u>	<u>\$ 1,676,685</u>

The accompanying notes are an integral part of this statement.

BOYS AND GIRLS CLUBS OF ACADIANA, INC.
Lafayette, Louisiana

Statement of Functional Expenses
For The Year Ended December 31, 2010

	Program Services	Supporting Services		
	Education and Recreation	Fund Raising	Management and General	Total
Salaries, benefits & payroll taxes	\$ 691,648	\$ 90,036	\$ 48,966	\$ 830,650
Accounting & auditing	4,584	-	917	5,501
Advertising (donated)	-	412,500	-	412,500
Auto & travel	5,616	-	3,392	9,008
Awards	3,327	-	257	3,584
Bad debts	-	25	-	25
Bus expense	5,925	-	-	5,925
Celebrity waiter	-	7,885	-	7,885
Contract labor	1,200	-	-	1,200
Donated materials - fundraising	-	34,993	-	34,993
Drug testing & background	1,223	-	43	1,266
Duck race	-	27,395	-	27,395
Facilities rent (donated)	62,000	-	45,890	107,890
Insurance	30,518	-	3,803	34,321
Meeting expense	7,351	-	93	7,444
Membership dues	4,442	-	1,756	6,198
Miscellaneous	3,900	68	4,037	8,005
Postage & shipping	2,879	-	501	3,380
Printing	1,065	-	180	1,245
Repairs & maintenance	33,890	-	273	34,163
Staff training	5,288	-	1,404	6,692
Steak 'N Burger	-	40,019	-	40,019
Supplies	65,256	1,533	2,434	69,223
Telephone	9,057	-	7,542	16,599
Unallocated payment to affiliated organization	6,537	-	-	6,537
Utilities/security	34,769	-	-	34,769
Total expenses before depreciation	980,475	614,454	121,488	1,716,417
Depreciation	62,089	-	480	62,569
Total	<u>\$1,042,564</u>	<u>\$614,454</u>	<u>\$121,968</u>	<u>\$1,778,986</u>

The accompanying notes are an integral part of this statement.

BOYS AND GIRLS CLUBS OF ACADIANA, INC.
Lafayette, Louisiana

Statements of Cash Flows
For The Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Cash flows from operating activities:		
Decrease in net assets	\$ (168,704)	\$ (173,059)
Adjustments to reconcile change in net assets to net cash used by operating activities -		
Depreciation	57,394	62,569
Change in current assets and liabilities:		
Receivables	6,527	(14,431)
Prepaid expenses	2,572	(837)
Accounts payable	66,717	8,326
Agency accounts	(139)	445
Deferred income	<u>(28,913)</u>	<u>31,859</u>
Net cash used by operating activities	(64,546)	(85,128)
Cash flows used by investing activities:		
Purchase of property & equipment	(3,593)	(30,505)
Cash flows from financing activities:		
Proceeds from line of credit	<u>40,000</u>	<u>-</u>
Net decrease in cash & cash equivalents	(28,139)	(115,633)
Cash and cash equivalents, beginning of year	<u>167,361</u>	<u>282,994</u>
Cash and cash equivalents, end of year	<u>\$ 139,222</u>	<u>\$ 167,361</u>

The accompanying notes are an integral part of this statement.

BOYS AND GIRLS CLUBS OF ACADIANA, INC
Lafayette, Louisiana

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

A. Nature of Activities

The Boys and Girls Clubs of Acadiana, Inc. (Organization) is a non-profit corporation organized under the laws of the State of Louisiana. The Clubs help youth of all backgrounds develop qualities needed to become responsible citizens and leaders, by providing facility-based neighborhood programs that are open to all. Relevant and diversified daily services are directed by trained, professional staff with a goal to assist club members towards becoming contributing members of society. Club programs and services are aimed at helping young people gain self-confidence, pursue an education, develop sound minds and bodies, and prepare for successful careers. By teaching honest values and concern for others, club programs foster positive attitudes and behavior.

B. Statement of Cash Flows

For purposes of the statement of cash flows, the Organization considers all highly liquid interest-bearing deposits with a maturity of three months or less when purchased to be cash equivalents.

C. Grants Receivable/Deferred Revenues

Grants receivable and deferred revenues from grants and other support are recognized only to the extent that related expenses have been incurred.

D. Contributions

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated asset, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished; temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activity as net assets released from restrictions. Donor restricted contributions whose restrictions are met in the same reporting period, are reported as unrestricted support.

Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

BOYS AND GIRLS CLUBS OF ACADIANA, INC
Lafayette, Louisiana

Notes to Financial Statements (Continued)

Unconditional promises to give due in subsequent years are reported at the present value of their net realizable value using risk-free discount rates applicable to the years in which the promises are to be received.

E. Income Tax Status

The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for federal income taxes. The Organization is not classified as a private foundation.

F. Donated Services and Materials

A substantial number of volunteers have donated time to the Organization's program and supporting services. No amounts have been included in the financial statements for the donated services of volunteers because the criteria for recognition of such volunteer effort under Statement of Financial Accounting Standards (SFAS) No. 116 have not been satisfied. Other donated services and donated materials are stated at their estimated fair value on the date donated.

G. Vacation and Sick Leave

Vacation and sick leave are recorded as expenses of the period in which paid. Vacation and sick leave must be taken in the year accrued and cannot be carried over. Annual sick leave is granted to employees based on the number of years of employment. Although sick leave is available for employees when needed, it does not vest nor is it payable at termination of employment.

H. Depreciation

Land, buildings and equipment are valued at cost, or fair market value in the case of donated property. Depreciable assets are depreciated using the straight-line method over the estimated useful lives of the individual assets as follows:

Buildings and improvements	7 - 31 years
Furniture and equipment	5 - 7 years

I. Functional Expenses

Expenses are charged to each program based on direct expenditures incurred. Any program expenditures not directly chargeable are allocated to programs based on units of service.

J. Advertising Costs

Advertising costs are expensed as incurred. Total advertising expense was \$245,600 and \$412,500 for the years ended December 31, 2011 and 2010, respectively. All advertising costs were donated.

BOYS AND GIRLS CLUBS OF ACADIANA, INC
Lafayette, Louisiana

Notes to Financial Statements (Continued)

K. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

(2) Receivables

The following is a summary of receivables at December 31, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Grants	\$ -	\$ 11,424
Individual and corporate contributions	<u>41,697</u>	<u>36,800</u>
	<u>\$ 41,697</u>	<u>\$ 48,224</u>

The Organization accounts for bad debts on the direct write-off method which recognizes a bad debt expense only when a specific account is determined to be uncollectible. The difference between the direct and reserve methods is not deemed material.

(3) Non-Current Assets – Land, Buildings and Equipment

The following is a summary of land, buildings and equipment at December 31, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Land	\$ 141,275	\$ 141,275
Buildings, furniture, & equipment	<u>1,640,830</u>	<u>1,637,776</u>
Total land, buildings, & equipment	1,782,105	1,779,051
Less: Accumulated depreciation	<u>(878,268)</u>	<u>(821,413)</u>
Net land, buildings, & equipment	<u>\$ 903,837</u>	<u>\$ 957,638</u>

BOYS AND GIRLS CLUBS OF ACADIANA, INC
Lafayette, Louisiana

Notes to Financial Statements (Continued)

(4) Line of Credit

Under the terms of a Gulf Coast Bank line of credit agreement, the Organization may borrow up to \$75,000 with interest due monthly at a fixed rate of interest of 6 percent. The note matures August 31, 2012. At December 31, 2011 the outstanding borrowings were \$40,000. The line is secured by multiple indebtedness mortgages.

(5) Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purpose:

	<u>2011</u>	<u>2010</u>
Capital Campaign - Renovations & additions to existing facilities and the completion of the new southside facility.	<u>\$ 91,064</u>	<u>\$ 90,707</u>

(6) Donated Facilities

The use of the Boys and Girls Clubs of Acadiana, Inc.'s facilities has been donated by corporations, the Iberia Parish School Board, the City of Abbeville, and the Opelousas Housing Authority. The estimated rental value of these facilities has been reflected in the accompanying financial statements as public support with a like amount shown as facilities rent. The approximate fair value of rent for 2011 and 2010 was \$107,890.

(7) Donated Materials & Services

Donated materials in the accompanying financial statements represent prize contributions for various fund raising events.

	<u>2011</u>	<u>2010</u>
Donated materials	<u>\$ 42,665</u>	<u>\$ 34,993</u>
Advertising	<u>\$ 245,600</u>	<u>\$ 412,500</u>

(8) Pension Plan

The Organization sponsors a defined contribution plan that covers full-time and eligible part-time employees. Contributions made by the organization are 5% of annual salaries. For 2011 and 2010, the amount of pension expense was \$33,752 and \$26,593, respectively.

BOYS AND GIRLS CLUBS OF ACADIANA, INC
Lafayette, Louisiana

Notes to Financial Statements (Continued)

(9) Government Grants

Government grants consist of the following:

	<u>2011</u>	<u>2010</u>
Bureau of Justice	\$ 32,000	\$ 34,659
City of Opelousas	-	12,000
City of New Iberia	-	10,000
Acadiana Arts Council	-	2,000
Children's Trust Fund	4,446	7,367
Louisiana Alliance of Boys & Girls Clubs	-	51,543
Iberia Parish Government	5,000	-
Lafayette Consolidated Government	17,720	-
Other	-	6,832
	<u>\$ 59,166</u>	<u>\$ 124,401</u>

(10) Concentration of Credit Risk

The Organization's cash is deposited in one financial institution. Cash accounts at banks are insured by the FDIC for up to \$250,000. Cash accounts were fully insured at December 31, 2011.

(11) Commitments and Contingencies

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Boys and Girls Clubs of Acadiana, Inc. expects such amounts, if any, to be immaterial. Also, a liability for findings and questioned costs is not established until final disposition of such matters by the funding agency.

(12) Risk Management

The Boys and Girls Clubs of Acadiana, Inc. is exposed to risks of loss in the areas of health care, general liability, property hazards and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year. Insurance settlements have not exceeded insurance coverage the past three years.

BOYS AND GIRLS CLUBS OF ACADIANA, INC
Lafayette, Louisiana

Notes to Financial Statements (Continued)

(13) Subsequent Event Review

The organization has evaluated subsequent events through June 25, 2012, the date which the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

COMPLIANCE, INTERNAL CONTROL
AND
OTHER MATTERS

C. Burton Kolder, CPA*
Russell F. Champagne, CPA*
Victor R. Slaven, CPA*
P. Troy Courville, CPA*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*

Penny Angelle Scruggins, CPA
Christine L. Cousin, CPA
Wanda F. Arcement, CPA,CVA
Allen J. LaBry, CPA
Albert R. Leger, CPA,PFS,CSA*
Marshall W. Guidry, CPA
Stephen R. Moore, Jr., CPA,PFS,CFP®,ChFC®*
James R. Roy, CPA
Robert J. Metz, CPA
Alan M. Taylor, CPA
Kelly M. Doucet, CPA
Cheryl L. Bartley, CPA
Mandy B. Self, CPA
Paul L. Delcambre, Jr., CPA
Kristin B. Dauzat, CPA
Matthew E. Margaglio, CPA
Jane R. Hebert, CPA
Bryan K. Joubert, CPA
Stephen J. Anderson, CPA

Retired:
Conrad O. Chapman, CPA* 2006
Tynes E. Mixon, Jr., CPA 2011

* A Professional Accounting Corporation

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

OFFICES

183 South Beadle Rd.
Lafayette, LA 70508
Phone (337) 232-4141
Fax (337) 232-8660

450 East Main Street
New Iberia, LA 70560
Phone (337) 367-9204
Fax (337) 367-9208

113 East Bridge St.
Breaux Bridge, LA 70517
Phone (337) 332-4020
Fax (337) 332-2867

200 South Main Street
Abbeville, LA 70510
Phone (337) 893-7944
Fax (337) 893-7946

1234 David Dr. Ste 203
Morgan City, LA 70380
Phone (985) 384-2020
Fax (985) 384-3020

1013 Main Street
Franklin, LA 70538
Phone (337) 828-0272
Fax (337) 828-0290

408 West Cotton Street
Ville Platte, LA 70586
Phone (337) 363-2792
Fax (337) 363-3049

133 East Waddil St.
Marksville, LA 71351
Phone (318) 253-9252
Fax (318) 253-8681

332 West Sixth Avenue
Oberlin, LA 70655
Phone (337) 639-4737
Fax (337) 639-4568

621 Main Street
Pineville, LA 71360
Phone (318) 442-4421
Fax (318) 442-9833

WEB SITE
WWW.KCSRCPAS.COM

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors
Boys and Girls Clubs of Acadiana, Inc.
Lafayette, Louisiana

We have audited the financial statements of the Boys and Girls Clubs of Acadiana, Inc. (a nonprofit organization) as of and for the years ended December 31, 2011 and 2010, and have issued our report thereon dated June 25, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Boys and Girls Clubs of Acadiana, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Boys and Girls Clubs of Acadiana, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Boys and Girls Clubs of Acadiana, Inc.'s internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying summary schedule of current and prior year audit findings and corrective action plan that we consider to be a significant deficiencies in internal control over financial reporting as items #11-1(IC) and #11-2(IC). A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Boys and Girls Clubs of Acadiana, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Boys and Girls Clubs of Acadiana, Inc.'s response to the finding identified in our audit is described in the accompanying summary schedule of current and prior year audit findings. We did not audit the Boys and Girls Clubs of Acadiana, Inc.'s response and, accordingly, we express no opinion on it.

This report is intended solely for the information of management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
June 25, 2012

OTHER SUPPLEMENTARY INFORMATION

BOYS AND GIRLS CLUBS OF ACADIANA, INC.
Lafayette, Louisiana

Summary Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan
December 31, 2011

Fiscal Year Finding Initially Occurred	Ref. No.	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Date Of Completion
CURRENT YEAR (12/31/11) --						
<u>Internal Control:</u>						
11-1(IC)	2007	The Organization does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including the related notes.		The Organization has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interests of the Organization to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.	Chris Martin, Executive Director	N/A
11-2(IC)	2010	Due to the small number of employees, the Organization did not have adequate segregation of functions within the accounting system. Based upon the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.	N/A	No response is considered necessary.	N/A	N/A
<u>Compliance:</u>						
There were no instances of noncompliance required to be reported under Government Auditing Standards.						
PRIOR YEAR (12/31/10) --						
<u>Internal Control:</u>						
10-1(IC)	2007	The Organization does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including the related notes.	No	See current year finding #11-1(IC).		
10-2(IC)	2010	Due to the small number of employees, the Organization did not have adequate segregation of functions within the accounting system. Based upon the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.	No	See current year finding #11-2(IC).		

Compliance:
There were no instances of noncompliance required to be reported under Government Auditing Standards.